GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:2755
ANSWERED ON:15.03.2001
AGREEMENT WITH AMERICAN COMPANY FOR POWER PROJECT
GANTA SRINIVASA RAO

Will the Minister of POWER be pleased to state:

(a) whether any agreement has been signed with the American firm for power projects;

(b) if so, the details thereof;

(c) the details of terms and conditions of the distribution of power and its marketing;

(d) whether the power generated from this project is shifted to other States; and

(e) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA)

(a) to (e) : During the visit of the Prime Minister to the USA in September, 2000,agreements were signed in respect of three power projects in the private sector. The details of these agreements are given below :

(i) A Memorandum of Understanding/Intent to Finance was signed between theInfrastructure Development Finance Corporation (IDFC) and M/s SynergicEnergy Development Inc of USA on September 14, 2000 for financing the 330MW Srinagar Hydro-electric Project of M/s Duncans North Hydro Power CoLtd. in Uttar Pradesh (Now Uttranchal).The Central Electricity Authorityaccorded techno-economic clearance to the 330 MW Srinagar Hydro ElectricPower Project being implemented by M/s. Duncans North Hydro Power CompanyLimited in Uttar Pradesh on June 14, 2000 at an estimated completion cost of US$95.054 million + Rs.1299.89 crores (at an exchange rate of 1US$=Rs.42/-). The project is scheduled for completion by September, 2005.

(ii) A development agreement was signed between M/s. Mirant Corporation (earlierknown as M/s. Southern Energy Asia pacific Limited (SEAP), Hong Kong) andthe Power Trading Corporation of India Ltd. on September 14, 2000 to jointlydevelop, construct, own, operate and maintain the 3960 MW Hirma ThermalPower Project in the State of Orissa.The levelised fixed charge per unit of power to be generated from the project has been determined as Rs.1.3398 per unit at 85% guaranteed availability with super critical boilers and at 74% front loading by the Central Electricity Regulatory Commission(CERC).The 1st Unit isexpected to be commissioned 39 months from the date of financial closure. Thereafter, each unit will be commissioned with a gap of 3 months. Power is expected to be exported to five states: Gujarat and Madhya Pradesh in the Westby way of a dedicated AC transmission line, and to Rajasthan, Punjab, and Haryana in North India by way of dedicated DC transmission line to RajasthanAn AC transmission line will transmit power from Rajasthan through Haryana terminating in Punjab. Both transmission lines will be developed and operated by POWERGRID. Power will be purchased by the Power Trading Corporation (PTC) for onward sale to the Off takers.

(iii) A joint Development Agreement was signed between M/s. Tamil Nadu LNG andPower Company Private Ltd. and Power Trading Corporation of India Ltd. onSeptember 14, 2000 for jointly developing the 1884.645 MW Ennore LNG basedpower project in Tamil Nadu. The project estimated to cost Rs.6,500 crores isscheduled for completion 36 months from financial closure. The power generated from this project is proposed to be purchased by the Power Trading Corporation(PTC) for onward sale to the Off takers, viz. Tamil Nadu, Karnataka and Kerala. While an MOU has already been signed by PTC with the State of Tamil Nadu forofftaking 750 MWs of power, the commitment of other States is yet to be formalized.